2nd ERRATA

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: GRANT CUTS AND REGIONALIZED GRANTS FOR THE AID TO
                FAMILIES WITH DEPENDENT CHILDREN (AFDC) PROGRAM

REFERENCE: ALL COUNTY LETTER (ACL) 96-60
                DATED NOVEMBER 1, 1996

        This second Errata transmits revised copies of draft regulations and the Attachment 1 for ACL 96-60.

Draft Regulations

        Three replacement pages are provided.   One page is corrected to show that, for AUs with more than ten members, MBSAC amounts are increased by $14 for each additional person. Two pages are issued to clarify policy as it relates to ICT situations.

Attachment 1

        Attachment 1 has been modified to illustrate the correct ICT policy and further explain provisions for Exempt and Nonexempt AUs in relation to the MAP reductions.

        We apologize for any inconvenience this may have caused.

REGION 1 MBSAC/MAP STANDARDS EFFECTIVE 01/01/97

# in AU	185%	MBSAC	EXEMPT* MAP	EXEMPT* 80%	NONEXEMPT* MAP	NONEXEMPT* 80%
1	667	361	311	249	279	223
2	1095	592	509	407	456	365
3	1359	735	631	505	565	452
4	1613	872	750	600	673	538
5	1838	994	855	684	767	614
6	2068	1118	961	769	861	689
7	2271	1228	1055	844	946	757
8	2475	1338	1150	920	1030	824
9	2684	1451	1243	994	1113	890
10 or more**	2913	1575	1335	1068	1196	957

REGION 2 MBSAC/MAP STANDARDS EFFECTIVE 01/01/97

# in AU	185%	MBSAC	EXEMPT* MAP	EXEMPT* 80%	NONEXEMPT* MAP	NONEXEMPT* 80%
1	634	343	295	236	266	213
2	1041	563	485	388	434	347
3	1293	699	601	481	538	430
4	1533	829	714	571	641	513
5	1748	945	814	651	730	584
6	1966	1063	914	731	819	655
7	2160	1168	1004	803	900	720
8	2353	1272	1094	875	980	784
9	2553	1380	1183	946	1059	847
10 or more**	2771	1498	1270	1016	1138	910

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.222 <u>Creation of</u> Where an AFDC child moves intercounty to the
<u>New AU</u>   home of his/her parent or relative who is
                     receiving AFDC-FG or -U from the second county
                     and the parent or relative requests continued
                     AFDC for that child, or where the parent or
                     relative applies for AFDC for that child or that
                     child and other <u>persons</u> ~~children~~, the first
                     county's responsibility for payment of AFDC
                     during the transfer period is computed as
                     follows:

~~(a)~~ ~~Caretaker~~   ~~If the FBU consists of only the~~
       ~~Relative~~   ~~transferred child and the parent(s) or relative~~
                     ~~caretaker, the first county is~~
                     ~~responsible for the entire AFDC aid payment.~~

~~HANDBOOK BEGINS HERE~~

~~EXAMPLE~~

~~A child receiving AFDC-FC from County A moves~~
~~from County A to live with his mother, who is~~
~~residing in County B. The mother applies for~~
~~AFDC for the child.~~

~~There are no other children in the home. County~~
~~A is responsible for payment of AFDC for a two-~~
~~person FBU (i.e., mother and child) during the~~
~~transfer period.~~

~~HANDBOOK ENDS HERE~~

(~~b~~<u>a</u>) <u>Existing</u>   If the <u>new AU</u> ~~FBU~~ consists of the transferred
       <u>AU</u>   child~~, the parent(s) or relative caretaker, and~~
                     ~~other AFDC eligible children, the county's~~
                     ~~financial responsibility is limited to the~~
                     ~~difference between the AFDC aid payment computed~~
                     ~~including, and then excluding, the transferred~~
                     ~~child.~~ <u>and persons currently aided in the second</u>
                     <u>county, the second county is responsible for</u>
                     <u>eligibility and payment. The second county is</u>
                     <u>responsible for adding the transferred persons</u>
                     <u>to the existing AU in the second county.</u>

HANDBOOK BEGINS HERE

EXAMPLE

A child receiving AFDC from County A moves to
County B to live with his mother, who is
receiving AFDC from County B for her three
children. The mother requests aid for the
transferred child. ~~County A is responsible for~~
~~payment of AFDC for the transferred child for~~

the duration of the transferred period. This is calculated at $88. County B becomes responsible for eligibility and payment. The child is added to the existing AU in County B.

Maximum Aid (five persons) $713 *

Maximum Aid (four persons)   625 *

Difference $ 88

* MAP amounts are subject to change. Use currently applicable amounts specified in Section 44-315.411.

HANDBOOK ENDS HERE

(cb)   Addition to   If the new AU consists of the transferred child
       Existing AU   plus one or more applicants for aid, the first
                     county remains responsible for eligibility and
                     payment. The first county is responsible for
                     adding the applicants to the existing AU in the
                     first county.

HANDBOOK BEGINS HERE

A child receiving AFDC from County A moves to County B to live with his mother. Also in the home are three of the mother's other children. The mother and the other children are unaided, but the mother requests aid for herself and also for these children. County A remains responsible for eligibility and payment. The mother and children are added to the existing AU in County A.

HANDBOOK ENDS HERE

.223   County Agreement   (Continued)

.224   Request For   When an AU requests homeless assistance the
       Homeless   second county is responsible for following up
       Assistance   with the first county as part of the
                       determination of eligibility for homeless
                       assistance., see Section 44-211.515. The MAP
                       amount for the county of residence is used.

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ATTACHMENT 1 - Summary of Regulation Changes and Implementation Instructions

New MAP and MBSAC Standards

Under the new regulations, California is divided into two regions. This division is based on the lowest quartile rents reported in the 1990 Census. Region 1 contains counties with higher housing costs. Region 2 contains all other counties.

MAP amounts statewide are reduced by 4.9%. There is a further MAP reduction of 4.9% applicable to counties in Region 2. This amounts to a 9.56% decrease in MAP amounts for counties in Region 2. MBSAC amounts for counties in Region 2 are reduced by 4.9%. There is no change in MBSAC for counties in Region 1.

The regulations become effective on January 1, 1997 for:

- New and pending applications for cash aid.
- Continuing cash aid cases.
- New and pending intercounty transfer (ICT) actions.
- New and pending requests for Homeless Assistance (HA).

Exempt and Nonexempt AUs

There are no exemption criteria associated with the initial 4.9% statewide MAP reduction or the further regionalization MAP and MBSAC cuts. However, under the terms of the APDP/CWPDP and the Beno court order, exemption criteria are appropriate for prior grant reductions. See All-County Letter (ACL) 96-28.

ATTACHMENT 1

<u>Intercounty Transfers</u>

Because of the difference in MAP and MBSAC amounts between regions, certain provisions regarding ICTs have changed. These changes will take effect for new and pending ICTs as of January 1, 1997. Consider County A to be the former county of residence and County B to be the new county of residence. Here is a summary of situations and treatment:

IF	AND	THEN
Child placed into AFDC-FC		· No transfer · County A responsible · County A MAP/MBSAC
ICT	No changes to Assistance Unit (AU) during transfer period	· Continue transfer · County A responsible · County A MAP/MBSAC · Add any new persons to County A AU
	Application during transfer period for unaided persons who will be included in same AU	
	AU joins home with aided persons who will be included in same AU	· Cancel transfer · County B responsible · County B MAP/MBSAC · Add persons to County B AU
Any AU	Homeless Assistance request	· Request must be made in county of residence · Use MAP for county of residence

<u>ICT Examples</u>

Example 1 - ICT - No Composition Change During Transfer Period

An AFDC-FG AU moves from County A, a Region 1 county, to County B, a Region 2 county. There are no changes to the AU during the transfer period. County A initiates the ICT. County A remains responsible. The MBSAC and MAP for County A (the higher Region 1 amounts) are used during the transfer period.

ICT Examples *(cont.)*

Example 2 - ICT - Application During Transfer Period

An AFDC-FG AU consisting of a child only moves from County A, a Region 2 county, to County B, a Region 1 county. During the transfer period, the child's unaided caretaker relative applies for aid. County A processes the ICT and acts to add the caretaker relative or deny the request. County A remains responsible. The MBSAC and MAP for County A (the lower Region 2 amounts) are used during the transfer period.

Example 3 - ICT - Application During Transfer Period

An AFDC-FG AU consisting of a mother and two children moves from County A, a Region 2 county, to County B, a Region 1 county. During the transfer period, the children's unaided father and two other unaided children apply. All persons are required to be in the same AU. County A processes the ICT and acts to add the persons or deny the request. County A remains responsible. The MBSAC and MAP for County A (the lower Region 2 amounts) are used during the transfer period.

Example 4 - ICT - Joins Home of Aided Persons

An AFDC-FG AU consisting of a child and the child's caretaker relative moves from County A, a Region 1 county, to County B, a Region 2 county. The AU joins the home of two other persons, both of whom are aided in County B and who must be included in the AU with the AU that moved. County A cancels any ICT and discontinues the case. County B becomes responsible. The MBSAC and MAP for County B (the lower Region 2 amounts) are used. County B processes the case to add the new members or deny the request for aid. If eligible, the effective date of the addition to the County B AU is the day after the effective date of discontinuance from County A.

Example 5 - ICT - Request for Homeless Assistance

An AFDC-FG AU consisting of a child and the child's caretaker relative moves from County A, a Region 1 county, to County B, a Region 2 county. The AU requests transfer and County A initiates an ICT. During the transfer period, the AU requests an HA payment. Since the request is for a Temporary Shelter payment, the request goes to the county where the AU is physically present and intends to reside, which is County B. County B makes the HA payment based on the County B MAP amount.